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Shun Wo Group Holdings Limited

汛和集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1591)

PROFIT WARNING

This announcement is made by Shun Wo Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and the potential investors that, based on the preliminary review of the unaudited consolidated management accounts for the year ended 31 March 2018, the Group is expected to record a net profit of about HK\$5.0 million, as compared to the net profit of approximately HK\$18.2 million for the year ended 31 March 2017. Such decrease in the net profit is primarily attributable to the decline of around 40% in revenue of foundation works as well as the decline of the Group’s gross profit margin due to the keen competition faced by the Group in obtaining new businesses.

The Company is still in the process of finalising the consolidated annual results of the Group for the year ended 31 March 2018. Shareholders and potential investors should note that the information contained in this announcement is only based on a preliminary assessment by the Board with reference to the unaudited consolidated management accounts and information currently available to the Board, which have not been audited by the auditor of the Company, nor have been confirmed by the audit committee of the Company and is subject to adjustment. The actual results of the Group for the year ended 31 March 2018 may be different from what is disclosed herein. Further details of the financial information of the Group for the year ended 31 March 2018 will be published in due course pursuant to the requirements of the Listing Rules.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By order of the Board
Shun Wo Group Holdings Limited
Wong Yan Hung
Chairman

Hong Kong, 16 May 2018

As at the date of this announcement, the executive directors are Mr. Wong Yan Hung, Mr. Wong Tony Yee Pong, Mr. Lai Kwok Fai and Mr. Lam Joseph Chok and the independent non-executive directors are Mr. Law Ka Ho, Mr. Leung Wai Lim and Mr. Tam Wai Tak Victor.